

SENATE BILL NO. 151—SENATORS ATKINSON, KIHUEN,
FORD; AND SETTELMAYER

FEBRUARY 12, 2015

JOINT SPONSORS: ASSEMBLYMEN KIRKPATRICK,
SPRINKLE; AND CARLTON

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Requires the Public Utilities Commission of Nevada to adopt regulations authorizing a natural gas utility to expand its infrastructure in a manner consistent with a program of economic development. (BDR 58-52)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public utilities; requiring the Public Utilities Commission of Nevada to adopt regulations authorizing a public utility which purchases natural gas for resale to expand its infrastructure in a manner consistent with a program of economic development proposed by the public utility and approved by the Commission; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill requires the Public Utilities Commission of Nevada to adopt
2 regulations authorizing a public utility which purchases natural gas for resale to
3 expand the infrastructure of the public utility in a manner consistent with a program
4 of economic development proposed by the public utility and approved by the
5 Commission.



* S B 1 5 1 R 1 *

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 704 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *The Commission shall adopt regulations authorizing a*
4 *public utility which purchases natural gas for resale to expand the*
5 *infrastructure of the public utility in a manner consistent with a*
6 *program of economic development, including, without limitation:*

7 (a) *Procedures for a public utility which purchases natural gas*
8 *for resale to apply to the Commission for approval of an activity*
9 *relating to the expansion of the infrastructure of the public utility*
10 *in a manner consistent with a program of economic development;*
11 *and*

12 (b) *Procedures for a public utility which purchases natural gas*
13 *for resale to apply to the Commission for the recovery of costs*
14 *associated with an activity approved by the Commission pursuant*
15 *to paragraph (a).*

16 2. *The regulations adopted pursuant to subsection 1 must*
17 *ensure the timely recovery by the public utility which purchases*
18 *natural gas for resale of all prudent and reasonable costs*
19 *associated with the expansion of the infrastructure of the public*
20 *utility in a manner consistent with a program of economic*
21 *development through the development of alternative cost-recovery*
22 *methodologies that balance the interests of persons receiving*
23 *direct benefits and persons receiving indirect benefits from the*
24 *expansion of the infrastructure of the public utility.*

25 3. *As used in this section, "program of economic*
26 *development" means a program to expand the infrastructure of a*
27 *public utility which purchases natural gas for resale that is*
28 *proposed by the public utility and approved by the Commission for*
29 *one or more of the following purposes:*

30 (a) *Providing natural gas service to unserved and underserved*
31 *areas within this State;*

32 (b) *Accommodating the expansion of existing business*
33 *customers of the public utility;*

34 (c) *Attracting and retaining residential and business customers*
35 *of the public utility;*

36 (d) *Attracting to this State new and diverse businesses and*
37 *industries which use natural gas and which would otherwise*
38 *locate or expand their business or industry within this State but*
39 *for the absence of adequate natural gas infrastructure;*

40 (e) *Facilitating the implementation of the State Plan for*
41 *Economic Development developed by the Executive Director of the*



- 1 *Office of Economic Development pursuant to subsection 2 of NRS*
- 2 *231.053; and*
- 3 *(f) Facilitating any policy of the Legislature with respect to*
- 4 *economic development in this State.*
- 5 **Sec. 2.** This act becomes effective upon passage and approval.



